A. FURTHER INFORMATION ABOUT OUR GROUP

1. Establishment of Our Company

Our Company was established as a limited liability company in the PRC on September 14, 2018 and was converted into a joint stock limited company on April 13, 2026. Our registered office is located at #101, Building 7, 20 Life Science Park Road, Changping District, Beijing, PRC.

Our Company has established a place of business in Hong Kong at Unit 1918, 19th Floor, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong, and has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on [•]. Ms. Ma Hoi Ki (馬海琪) has been appointed as our authorized representative for acceptance of service of process and notices in Hong Kong whose correspondence address is the same as our place of business in Hong Kong.

As our Company is established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in "Appendix IV — Summary of Articles of Association."

2. Changes in the Share Capital of Our Company

Save as disclosed in "History, Development and Corporate Structure," there has been no change in the share capital of our Company within the two years immediately preceding the date of this document.

3. Change in the Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in the Accountants' Report.

There has been no change in the share capital of our subsidiaries within the two years preceding the date of this document.

4. Resolutions of Our Shareholders

Pursuant to the resolutions passed at a duly convened general meeting of our Shareholders held on April 22, 2026, our Shareholders resolved that, among others:

(a) the issuance by our Company of H Shares with a nominal value of [REDACTED] each and such H Shares being [REDACTED] on the Stock Exchange;

(b) the sub-division of the Shares with nominal value of RMB1.0 each on the basis of 1:10, effective immediately prior to the [REDACTED], and taking into account the [REDACTED], the issue of H Shares of nominal value of [REDACTED] each and such H Shares be [REDACTED] on the Stock Exchange;

(c) the number of H Shares to be issued pursuant to the [REDACTED], and the grant to the [REDACTED] (or their representatives) of the [REDACTED] of not more than [REDACTED] of the number of H Shares initially available under the [REDACTED];

(d) subject to the filing procedure with the CSRC, upon the completion of the [REDACTED], [REDACTED] Unlisted Shares held by existing Shareholders will be converted into H Shares on a one-for-one basis;

(e) subject to the completion of the [REDACTED], the grant of a general mandate to our Board to allot and issue Shares or sell and/or transfer treasury Shares at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as our Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of Shares to be issued shall not exceed 20% of the number of the Shares in issue (excluding any Treasury Shares) as at the [REDACTED];

(f) subject to the completion of the [REDACTED], the adoption of the Articles of Association which shall become effective on the [REDACTED], and authorization to our Board to amend the Articles of Association to the extent necessary for the purpose of the [REDACTED]; and

(g) authorization of our Board or its authorized individual(s) to deal with all matters relating to the [REDACTED] and the [REDACTED].

5. Restriction on Share Repurchase

For details of the restrictions on share repurchase by our Company, see "Appendix IV — Summary of Articles of Association."

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contract

We have entered into the following contract (not being contract entered into in the ordinary course of business) within the two years immediately preceding the date of this document that is or may be material:

(a) the [REDACTED].

2. Intellectual Property Rights

(a) Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we considered to be material to our business.

No.	Trademark	Owner	Registration Number	Registration Date	Expiry Date
1.	QL Biopharm	Our Company	62408666	July 28, 2022	July 27, 2032
2.	QL Biopharm	Our Company	1789451	January 5, 2024	January 5, 2034
3.	ZTSW	Our Company	69274680	July 7, 2023	July 06, 2033
4.		Our Company	62395008	July 14, 2023	July 13, 2033

(b) Patents

As of the Latest Practicable Date, we had been granted the following patents which we considered to be material to our business.

No.	Patents	Owner	Application Number	Filling Date	Expiry Date
1.	Invention	Our Company	CN202180006277.3	September 30, 2021	September 30, 2041
2.	Invention	Our Company	CN202280008026.3	July 14, 2021	July 14, 2041
3.	Invention	Our Company	CN202380009345.0	March 30, 2023	March 30, 2043
4.	Invention	Our Company	US17/562014	September 30, 2021	September 30, 2041
5.	Invention	Our Company	US18/328796	July 14, 2022	July 14, 2042
6.	Invention	Our Company	US18/331197	March 30, 2023	March 30, 2043

(c) Domain Names

As of the Latest Practicable Date, we had registered the following internet domain names which we considered to be material to our business:

No.	Domain name	Owner	Expiry date
1.	qlbiopharm.cn	Our Company	November 12, 2026
2.	qlbiopharm.com	Our Company	November 12, 2026

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Particulars of Directors' Service Contracts

We have entered into a service contract with each of our Directors which contains provisions in relation to, among others, term of service and termination. The service contracts may be renewed in accordance with our Articles of Association and the applicable rules.

Save as disclosed in "Directors and Senior Management" and above, we have not entered into, and do not propose to enter into, any service contracts with any of our Directors in their respective capacities as Directors (excluding agreements expiring or determinable by any member of our Group within one year without payment of compensation other than statutory compensation).

2. Remuneration of Directors

Save as disclosed in "Directors and Senior Management" and "Appendix I — Accountants' Report — Notes to the Historical Financial Information — 8. Directors' and Chief Executive's Remuneration," none of our Directors received other remuneration or benefits in kind from our Company during the years ended December 31, 2024 and 2025.

3. Disclosure of Interests

(a) Interests and short positions of our Directors and chief executive in the Shares and underlying Shares of our Company and our associated corporation

Save as disclosed below, so far as our Directors are aware, immediately following the completion of the [REDACTED] (taking into account the [REDACTED] assuming that the [REDACTED] is not exercised) and the conversion of [REDACTED] Shares to H Shares, none of our Directors or chief executive will have any interest and/or short position in the Shares, underlying shares or debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he or she is taken or deemed to have under such provisions of the SFO), (ii) will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) will be required, pursuant to the Model Code, to be notified to our Company and the Stock Exchange.

Name	Position	Nature of interest	Description of Shares	Number of Shares	Approximate percentage of shareholding in the Unlisted Shares/H Shares immediately following the completion of the [REDACTED](2)	Approximate percentage of shareholding in the total share capital of our Company immediately following the completion of the [REDACTED](2)
					(%)	(%)
Dr. Zhang(3)(4)	Chairman of our Board, executive Director and CEO	Beneficial owner	Unlisted Shares	17,817,970	[REDACTED]	[REDACTED]
			H Shares	17,817,970	[REDACTED]	[REDACTED]
		Interest in controlled corporations	Unlisted Shares	—	[REDACTED]	[REDACTED]
			H Shares	27,254,940	[REDACTED]	[REDACTED]
		Interest jointly held with another person	Unlisted Shares	7,127,190	[REDACTED]	[REDACTED]
			H Shares	7,127,190	[REDACTED]	[REDACTED]
Dr. Zhang Yuanyuan(4)	Executive Director, senior vice president and head of R&D	Beneficial owner	Unlisted Shares	2,375,730	[REDACTED]	[REDACTED]
			H Shares	2,375,730	[REDACTED]	[REDACTED]
		Interest jointly held with another person	Unlisted Shares	22,569,430	[REDACTED]	[REDACTED]
			H Shares	49,824,370	[REDACTED]	[REDACTED]
Dr. Zhai(4)	Executive Director, senior vice president and head of manufacturing	Beneficial owner	Unlisted Shares	2,375,730	[REDACTED]	[REDACTED]
			H Shares	2,375,730	[REDACTED]	[REDACTED]
		Interest jointly held with another person	Unlisted Shares	22,569,430	[REDACTED]	[REDACTED]
			H Shares	49,824,370	[REDACTED]	[REDACTED]
Mr. Wu(4)	Executive Director and COO	Beneficial owner	Unlisted Shares	2,375,730	[REDACTED]	[REDACTED]
			H Shares	2,375,730	[REDACTED]	[REDACTED]
		Interest jointly held with another person	Unlisted Shares	22,569,430	[REDACTED]	[REDACTED]
			H Shares	49,824,370	[REDACTED]	[REDACTED]

Notes:

(1) For the avoidance of doubt, both H Shares and Unlisted Shares are ordinary Shares in the share capital of our Company and are considered as one class of Shares. All interests stated in the table above are long positions.

(2) The calculation is based on: (i) the total number of [REDACTED] Unlisted Shares in issue immediately following the completion of the [REDACTED], (ii) the total number of [REDACTED] H Shares in issue immediately following the completion of the [REDACTED] since [REDACTED] Unlisted Shares will be converted into H Shares and [REDACTED] H Shares will be issued pursuant to the [REDACTED], and (iii) taking into account the [REDACTED] and assuming that the [REDACTED] is not exercised.

(3) Dr. Zhang is the general partner of QL Tianjin. Accordingly, Dr. Zhang is deemed to be interested in the Shares held by QL Tianjin under the SFO.

(4) In December 2018, Dr. Zhang, Dr. Zhang Yuanyuan, Dr. Zhai and Mr. Wu (collectively, the "**Concert Parties**") entered into an acting-in-concert agreement, pursuant to which the parties (i) agreed to act in concert as Directors and shareholders when exercising the voting rights with respect to equity interests they directly or indirectly hold in the Group; and (ii) acknowledged and confirmed that Dr. Zhang's decisions on such matters shall prevail. Although QL Tianjin did not enter into any undertaking or agreement with the Concert Parties, it shall be deemed to be a Concert Party, as Dr. Zhang is the general partner of QL Tianjin and he is entitled to exercise its voting rights. Accordingly, each of the parties is deemed to be interested in the Shares each other is interested in under the SFO.

(b) Interests and short positions of our substantial Shareholders in the Shares and underlying Shares of our Company

For the information on the persons who will, immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised) and the conversion of Unlisted Shares to H Shares, have any interest and/or short position in the Shares or underlying Shares of our Company which will fall to be disclosed to our Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, see "Substantial Shareholders."

4. Disclaimers

Save as disclosed in "History, Development and Corporate Structure" and "Business" and above:

(a) none of our Directors or experts named in "Qualifications of Experts" in this section is:

(i) interested in our promotion, or in any assets which have been, within the two years immediately preceding the issue of this document, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(ii) materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group; and

(b) none of our Directors or their respective close associates or our Shareholders which to the knowledge of our Directors own more than 5% of the number of our issued Shares (excluding treasury shares) has any interest in our five largest customers or suppliers during the Track Record Period; and

(c) none of our Directors is a director or employee of a company which has an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company pursuant to Divisions 2 and 3 of Part XV of the SFO.

D. EMPLOYEE INCENTIVE SCHEME

The Employee Incentive Scheme was approved and adopted by our Company in December 2018, and was subsequently amended in February 2026. The purpose of the Employee Incentive Scheme is to further improve our Company's governance structure, establish and improve the incentive and restraint mechanisms for our senior management, middle-level management and other key employees, stabilize and attract excellent management and other talents, improve our market competitiveness and sustainable development capabilities, and ensure the realization of our development strategy and business objectives. The Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve the grant of new Shares or options over new Shares by our Company to subscribe for new Shares after the [REDACTED].

QL Tianjin was established under PRC Law as our Company's employee incentive platform. The eligible participants under the Employee Incentive Scheme would be granted awards to subscribe for partnership interests in QL Tianjin (the "**Award**") and, upon the exercise of the Award, become limited partners thereof and be indirectly interested in the incentive Shares held by QL Tianjin. As of the Latest Practicable Date, QL Tianjin held 27,254,940 Shares, representing approximately 9.08% of our total issued share capital.

The following is a summary of the principal terms of the Employee Incentive Scheme.

Eligible Participants

Eligible participants include Directors, senior management, and other key employees of our Group, all of whom must be employed by our Group on a full-time basis.

Exercise Price

The exercise price of each Award is calculated based on the price of RMB1.00 per RMB1.00 of our Company's registered capital that the eligible participant will be indirectly interested in upon the exercise of the Award.

Scheme Administration

Our Board is the scheme administrator responsible for drafting, formulating and revising the Employee Incentive Scheme, as well as executing and managing the Employee Incentive Scheme. Our Board is responsible for reviewing and approving the number of grants, eligible participants, exercise price, exercise period and exercise method of the Awards. Our Board is also the supervisory body of the Employee Incentive Scheme and is responsible for verifying the list of eligible participants and supervising whether the implementation of the Employee Incentive Scheme complies with the relevant laws, regulations and our Articles of Association. Our Board has further authorized Dr. Zhang to be responsible for the specific implementation and execution of all matters related to the Employee Incentive Scheme.

Number of Shares

The number of Shares underlying the Awards granted under the Employee Incentive Scheme is approximately 27,254,940 Shares, representing approximately 9.08% of our total issued share capital immediately before the completion of the [REDACTED] and approximately [REDACTED] of our total issued share capital immediately following the completion of the [REDACTED] (taking into account the [REDACTED] assuming the [REDACTED] is not exercised). There are no Shares underlying the Employee Incentive Scheme that are reserved for grant of Awards to future grantees under the Employee Incentive Scheme. No further Awards are expected to be granted after [REDACTED] under the Employee Incentive Scheme.

Termination and Withdrawal of Awards

Following the grant of Awards under the Employee Incentive Scheme, if there are changes in an eligible participant's position, responsibilities or personal circumstances, our Board may, at its discretion, reassess the total number of Awards granted to such eligible participant based on the relevant changes and make corresponding adjustments to any Awards already granted.

If an eligible participant is dismissed by our Company due to conduct that materially harms the interests or reputation of our Company, including without limitation violation of laws, breach of professional ethics, disclosure of confidential information, dereliction of duty or misconduct, our Board is entitled to cancel or revoke all Awards that have been granted to such eligible participant.

In the event that an eligible participant passes away prior to the exercise of the Awards, all Awards granted to such eligible participant shall be cancelled automatically as of the date of death, except where the death occurs in the course of performing employment duties, in which case our Company shall provide reasonable compensation to the legal heirs of such eligible participant. Where an eligible participant passes away after the exercise of the Awards, the corresponding rights and interests shall be inherited by his or her legal heirs in accordance with applicable laws and shall not be subject to the vesting or realization arrangements under the Employee Incentive Scheme.

With respect to the cancellation of Awards under the circumstances described above, where the Awards have not been exercised, the corresponding exercise rights shall lapse automatically. Where the Awards have been exercised, any unvested portion of the exercised Awards shall be transferred at cost to Dr. Zhang, as the general partner of QL Tianjin, in accordance with the terms of the Employee Incentive Scheme and the relevant equity incentive agreements.

Lock-up and Restrictions on Transfer

The Awards granted under the Employee Incentive Scheme are subject to restrictions on transfer and disposal. Prior to the exercise of the Awards, eligible participants shall not proactively dispose of any Awards. If an eligible participant leaves our Company prior to the exercise of the Awards, including by voluntary resignation, inability to perform his or her duties for personal reasons or dismissal due to intentional misconduct or gross negligence, all corresponding exercise rights shall be automatically terminated with effect from the date of departure.

Following the exercise of the Awards and prior to the completion of the initial [REDACTED] of the Shares (or other securities of our Company or those of relevant entities formed in connection with the initial [REDACTED]), the exercised Awards held by an eligible participant shall be subject to vesting restrictions, pursuant to which such exercised Awards shall vest over a period of four years, with 25% vesting upon each full year of continuous service following the exercise date. If an eligible participant leaves our Company prior to the completion of the initial [REDACTED], with respect to the vested portion of the exercised Awards, our Company is entitled, but not obliged, to repurchase such vested portion, directly or through Dr. Zhang and/or other third parties designated by him, at a price not exceeding the audited net asset value per Share of our Company as at the end of the preceding financial year (excluding intangible assets). The unvested portion of the exercised Awards shall not be entitled to vest and shall be transferred at the original cost paid by the eligible participant to Dr. Zhang.

Details of the Awards Granted

As of the Latest Practicable Date, all the underlying Shares under the Employee Incentive Scheme had been granted to a total of 21 grantees.

Details of the Awards granted under the Employee Incentive Scheme as of the Latest Practicable Date are as follows:

Name of the grantee	Relationship with our Group	Number of Shares underlying the Award granted under the Employee Incentive Scheme[1]	Approximate percentage of effective shareholding immediately following the completion of the [REDACTED][2]
		(Approximate)	*(%)*
Directors, senior management and other Connected Persons			
Dr. Zhang Xujia (張旭家)	Chairman of our Board, executive Director and CEO	11,567,351	[REDACTED]
Dr. Zhang Yuanyuan (張媛媛)	Executive Director, senior vice president and head of R&D	2,731,909	[REDACTED]
Dr. Zhai Peng (翟鵬)	Executive Director, senior vice president and head of manufacturing	2,731,909	[REDACTED]
Mr. Wu Ning (吳寧)	Executive Director and COO	2,731,909	[REDACTED]
Ms. Dong Yi (董伊)	Executive Director, CFO and board secretary	314,784	[REDACTED]
Other grantees			
16 current employees of our Group[3]		7,177,079	[REDACTED]
Total		**27,254,940[4]**	**[REDACTED]**

Notes:

1 For illustrating the indirect interests of grantees in our Company, the number of Shares are presented and calculated by multiplying their respective percentage of partnership interests in QL Tianjin (assuming all the Awards are vested and exercised) by the total number of Shares held by QL Tianjin.

2 Taking into account the [REDACTED] and assuming the [REDACTED] is not exercised.

3 Each of whom is an independent third party.

4 As of the Latest Practicable Date, Awards granted to 21 grantees, representing 27,254,940 underlying Shares, had not yet been exercised.

E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or our subsidiary.

2. Litigation

As of the Latest Practicable Date, no member of our Group was involved in any litigation, arbitration, administrative proceedings or claims of material importance, and, so far as we are aware, no litigation, arbitration, administrative proceedings or claims of material importance are pending or threatened against any member of our Group.

3. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Stock Exchange for the [REDACTED] of, and permission to deal in, the H Shares to be issued pursuant to the [REDACTED] and the H Shares to be converted from Unlisted Shares, on the Main Board of the Stock Exchange. The Joint Sponsors will receive an aggregate fee of US$1 million for acting as joint sponsors for the [REDACTED].

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsor set out in Rule 3A.07 of the [REDACTED].

4. Preliminary Expense

As of the Latest Practicable Date, our Company did not incur any material preliminary expense.

5. Promotors

The promoters of our Company were all the then Shareholders as of April 13, 2026 immediately before our conversion into a joint stock limited company. Save as otherwise disclosed in this document, within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promotors of our Company in connection with the [REDACTED] or the related transactions as described in this document.

6. Qualifications of Experts

The qualifications of the experts who have given opinions or advice in this document are as follows:

Name	Qualification
Jefferies Hong Kong Limited	A corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Huatai Financial Holdings (Hong Kong) Limited	A corporation licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO
Ernst & Young	Certified Public Accountants under Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
JunHe LLP	Legal advisor to our Company as to PRC law
China Insights Industry Consultancy Limited	Industry consultant
Cushman & Wakefield Limited	Property valuer

7. Consent of Experts

Each of the experts named above has given and has not withdrawn its written consent to the issue of this document with the inclusion of its reports, letters or opinions (as the case may be) and the references to its name included herein in the form and context in which they are included.

As of the Latest Practicable Date, none of the experts named above had any shareholding in any member of our Group or right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

8. Stamp Duty

The sale, purchase and transfer of H Shares will be subject to Hong Kong stamp duty. The current rate charged on each of the seller and purchaser is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

9. Binding Effect

This document shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance as far as applicable.

10. Bilingual Document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

11. Miscellaneous

(a) Save as disclosed in this document, within the two years immediately preceding the issue of this document:

(i) no share or debenture of any member of our Group has been issued or agreed to be issued or is proposed to be issued for cash or as fully or partly paid up otherwise than in cash;

(ii) no share or debenture of any member of our Group is under option or agreed conditionally or unconditionally to be put under option;

(iii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of any member of our Group; and

(iv) no commission has been paid or is payable for subscribing, or agreeing to subscribe, or procuring or agreeing to procure subscriptions for any shares in or debentures of our Company.

(b) There are no founder or management or deferred shares in our Company.

(c) There is no arrangement under which future dividends are waived or agreed to be waived.

(d) There are no contracts for the hire or hire purchase of plant to or by our Group for a period of over one year which are substantial in relation to our Group's business.

(e) There have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months.

(f) No part of the equity or debt securities of our Company is [REDACTED] or dealt in on any stock exchange, and no such [REDACTED] or permission to deal on any stock exchange other than the Stock Exchange is being or is proposed to be sought.

(g) Our Company has no outstanding convertible debt securities or debentures.